President: We will now proceed with the Report of the Public Accounts Committee. Before I say anything more it is for the honourable members of this House to consider whether they would like to sit till 2 P. M. and finish the discussion, because in the afternoon there is the Sasthamangalam procession and it might be necessary for the various officers to attend the function. It might conduce to convenience if this honourable House will go on till 2 o'clock I take it is agreed to. Then I propose to fix a maximum of 10 minutes for every member to speak.

DISCUSSION OF THE REPORT OF THE PUBLIC ACCOUNTS COMMITTEE ON THE AUDIT AND APPROPRIATION ACCOUNTS OF 1110.

Rao Bahadur A. Rangasvami Aiyar: Sir, I beg to move that the Report of the Public Accounts Committee on the Audit and Appropriation accounts of the year 1110 be taken up of consideration.

(At this stage the President left the Chair and Mr. V. S. Arumukham Pillai, one of the Panel of Chairmen, presided.)

Mr. M. N. Paramesvaran Pillai: Sir, this is perhaps the last occasion which this House gets for scrutinising the expenditure of Government, and to see whether every item of expenditure for which the vote of this House was obtained has been truly and faithfully spent for the purpose for which it was really meant. This time also the Report of the Public accounts Committee reveals the fact that the Government do not evince any anxiety to enforce correct budgeting. Of the 35 items of budget grants for the year 1110, we find that there were savings in not less than 28 items, aggregating to Rs. 7,75,023. It has become a standing and chronic complaint that large sums of money are unnecessarily allowed to be locked up under various budget heads so much so that very many important works of public utility have to be put off for want of funds. The statement published at page 3 of the report shows that for very many departments supplementary grants were obtained either from the Council or got sanctioned under Section 32 unnecessarily, when funds were, as a matter of fact, available under the sanctioned budget heads. Again, several irregularities are reported to have taken place in the application of the grants. For instance grants under one head had been allowed to lapse and then transferred to other heads in order to avoid supplementary grants.

Then again, in spite of our repeated protests every year, Government are spending large sums of money under Section 32. In 1110, the additional grants made under Section 32 amounted to Rs. 2,59,882, whereas the supplementary grants for which the vote of the Council was taken was only Rs. 2,41,162. Although there is a slight improvement in the year under review compared with

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the previous years, this practice is one which this House has to strongly deprecate. As in previous years, we find that some of the items for which money was sanctioned under Section 32 could not be said to be so very urgent as to invoke the extraordinary powers under that Section. The exercise of powers under Section 32 always exhibits that bureaucratic mentality which detests any consultation with representative institutions. The Report of the Public Accounts Committee will bear testimoney to the fact that your worthy predecessor had assured the Finance Committee that at least they would be consulted before the Government proposed to spend anything under Section 32. But we have by this time learned that they were mere empty words not meant to be carried out. Sir, you have also made an assurance that you will always take the Legislative Bodies into your confidence but the *bona fides* of that statement we have begun to suspect; for have you not appointed two retired men as Judges of the High Court with the necessary staff without consulting either the Finance Committee or the Assembly which was in session when the appointments were really made?

Mr. Kochikal P. Balakrishnan Tampi: Sir, I rise to a point of order. Is that relevant to the issue before the House? That question does not come before the House.

Rao Bahadur A. Rengasvami Aiyar: That question does not arise out of this report.

Chairman: Mr. Paramesvaran Pillai may go on with the discussion of the report and not touch upon matters not relevant.

Mr. M. N. Paramesvaran Pillai: Sir, I only wanted to point out that in spite of the assurance made by the Dewan that he will take this House into his confidence, Government have been spending large sums of money without the knowledge of this House. If this is the sort of confidence that is to be reposed in us, I am sorry to say this House will have to take the earliest opportunity to protest.

Chairman: I may tell the honourable member that the assurance does not relate to Section 32.

Mr. M. N. Paramesvaran Pillai: Sir, if I remember correct it related to the expenditure under Section 32. The Government have, in the case of the new High Court Judges, incurred expenditure under Section 32. The appointments are already over and no motion for supplementary grant is made.

I hope these matters will receive the earnest attention of Government and that at least in future they will not give room for such complaints.

Mr. K. P. Nilakanta Pillai: Sir, I also wish to make a few observations on the report submitted to this House. We have

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been complaining that in the matter of making demands and spending the money already granted by this House, no definite principle or policy has been followed. The pages of the report placed in our hands are full of instances in which every recognised principle of getting demands and spending money is violated. You will find supplementary grants are asked for without any necessity and after that having granted them, the Heads of Departments cannot find means how to spend them. I ask the question, what was the necessity for demanding supplementary grants without actually feeling the need for them. Why should heads of department come with a supplementary grant?

That is one thing, Secondly, when there was plenty of money with a particular head of department to be spent in that department, he comes for more money and when that additional amount has been granted he allows the amount to lapse. Sir, these are, to put it in short, a sort of irresponsible way of coming for more money before this House. According to the report, a sum of Rs. 2·4 lakhs was granted by way of supplementary grants and the expenditure incurred in addition to the amount already granted is Rs. 1·5 lakhs and the savings effected whem compared with the budgetary grants is Rs. 7·7 lakhs. These figures will show that supplementary grants were asked for for nothing, when expenditure was incurred under Section 32 and that expenditure amounted to Rs. 2·6 lakhs. Even the budgetary amount could not be spent and a saving of rupees 7·7 lakhs was effected in the departments taken together. These naturally should open the eyes of the learned Financial Secretary hereafter, because we have been working in a groove. Therefore the spend-thrift heads of the department would not be satisfied with the amount granted and without knowing whether they would require money or not they will demand for more. To Page 57 of the report shows that from the amount granted for the Trivandrum Electricity and Telephone Departments an amount of twenty nine and odd thousands rupees has been diverted. Again from the amount granted to the Quilon Town Electric Supply, an amount of forty thousand and odd rupees has been diverted. This is a very serious question. Probably there is no use of addressing this empty House. How could diversion be effected and under what circumstances could money be..... ...

Mr. Kochikal P. Balakrishnan Tampi: Sir, is it not a reflection upon this House?

Mr. K. P. Nilakanta Pillai: Sir, I am only saying the fact. It is a fact that the House is empty and I cannot help saying it.

Sir, these diversions could not have been allowed under any provision and we do not know from this report whether sanction was obtained from Government. I had some occasion to deal with

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this particular topic. Because the reserve fund accumulated on account of the Trivandrum Electricity it has been diverted and expended for Quilon Electricity. Apart from the objectionable way in which that money has been diverted, this House was not consulted, the Finance Committee was not consulted and I doubt whether even Government have been consulted. There is nothing to show that Government have been consulted. When the reserve fund has been accumulating and when naturally interest was growing, the unnecessary taxation of the Trivandrum consumers was highly objectionable. Under no circumstances could thse diversions have been allowed.

Again, Sir, one of the difficulties of the financial administration of the State is that there is no provision whatever for auditing the receipts of any department.

That fact also we have been presenting on the attention of the Government from time to time. A lot of defalcation and misappropriation of money has been the direct result. Even though we have been agitating for doing something towards the audit of the receipts of the departments for several years even after the appointment of a separate full-time Financial Secretary, no step seem to have been taken towards this direction. I say therefore the audit of the receipts of departments is definitely necessary. If that is done much saving could be effected in every department. Though not from personal experience I can understand how the amount of contingency in every department, without any real necessity, but some how, is manipulated and spent. The receipts are not at all audited. The expenditure side alone is audited. And Government do not know how the receipts of a particular department could more often adversely affect the receipts of another department. These matters are not brought to the notice of Government. They have to accept what the departments say. There is no provision to look into the receipts of the departments. That is a very serious defect. I hope some steps to rectify these mistakes will be taken.

Mr. J. John Kattakayam: സർ, പബ്ളിക് അക്കൌണ്ട്സ് കമ്മിറ്റിറിപ്പോർട്ടിൽ കാണുന്നതു് ഞണ്ടുതോറും ഓരോ ഇനത്തിനായി അനുവദിക്കുന്നതുക വേറെ സംഗതികൾക്കായി ചെലവുചെയ്യുന്നു എന്നാണ്. അതുനിമിത്തം പലതരത്തിലുള്ള വിഷമതകൾ ഉണ്ടാകുന്നുണ്ടു്. അനേകകാലമായി ഈ പതിവു തുടർന്നുകൊണ്ടുവരികയാകുന്നു. ഏതു സംഗതിക്കായി വിനിയോഗിക്കുന്നതിനു ഒരുതുക നീക്കിവച്ചുവോ, അതേ സംഗതിക്കായി വിനിയോഗിക്കാത്തതുനിമിത്തം പല ഡിപ്പാർട്ടുമെൻറിനും വലിയ തരക്കേടുകൾ ഉണ്ടാകുന്നുണ്ടു്. ഉദാഹരണത്തിനു

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പബ്ലിക് വർക്ക്സ് ഡിപ്പാർട്ടുമെൻറിനെത്തന്നെ എടുക്കാം. അവക്ക് ഏതെങ്കിലും ഒരു സ്ഥലത്തു ചിലവുചെയ്യുവാൻ നീക്കിവച്ചിട്ടുള്ള തുക എടുത്തു മറെറാരു സ്ഥലത്തെ ആവശ്യത്തിനായി വിനിയോഗിക്കാൻ അധികാരംകൊടുത്തിട്ടുണ്ടെന്നു തോന്നുന്നു. അങ്ങനെ അവക്ക് അധികാരം കൊടുത്തിട്ടുണ്ടെങ്കിലും ഇല്ലെങ്കിലും ഇപ്രകാരം ചെയ്യുന്നതു് മാർത്താണ്ഡവമ്മയിലെ ശംകുണ്ണിശാൻ പറയുന്നതുപോലെ "കാണ്മാനും കേപ്പാനും ആളില്ലാഞ്ഞിട്ടുതന്നെയാണു്." ഗവണ്മെൻറു് അനാശാസ്യമായ ഈ നടപടിയെ മാററണമെന്നു് ഇതുവരെ വിചാരിച്ചിട്ടില്ല.

Chairman: നിങ്ങൾ റിപ്പോർട്ടിനെക്കുറിച്ചാണു സംസാരിക്കേണ്ടതു്.

Mr. J. John Kattakayam: സർ, റിപ്പോർട്ടിനെപ്പററി പറയുമ്പോൾ സർവപ്രധാനമായി പറയേണ്ട ഒരു സംഗതിയാണു് ഇതു്. ഒരുതുക ഏതു സംഗതിക്കു ചെലവുചെയ്യണമെന്നു നിശ്ചയിച്ചുവോ ആ സംഗതിക്കല്ലാതെ മറുതരത്തിൽ ചെലവു ചെയ്യുകൂടാ. തൊടുപുഴതാലൂക്കിൽ ഒരു റോഡുവേണമെന്നു ഫ്രൻ-മത്തെ ശ്രീമൂലംപ്രജാസഭയിൽ പറയുകയും ഗവണ്മെൻറു് അനുവദിക്കുകയും അതിനുള്ള തുക ബഡ്ജററിൽ കൊള്ളിക്കുകയും ചെയ്തു. എന്നാൽ ആണ്ടുതോറും ആ തുക മറുതരത്തിൽ ചെലവഴിക്കുന്നു. ഇതുമൂലം തിരുവിതാംകൂറിൽ ആവശ്യമുള്ള സമയത്തു് ആവശ്യമുള്ള ജോലികൾ നടക്കാതെ വരുകയെന്നുള്ളതു് സർവസാധാരണമായി തീർന്നിട്ടുണ്ടു്. അതിനെ തടയേണ്ടതു് അധികൃതന്മാരുടെ കടമയാണു്. ഈ കാര്യത്തിൽ ബഹുമാനപ്പെട്ട ഗവണ്മെൻറിൻെറ ദൃഷ്ടി അവിരേണ പതിയണമെന്നാണു് ഞാൻ പറയുന്നതു്. ഏതൊരുതരത്തിൽ ഏതൊരുതുക ചെലവുചെയ്യണമെന്നു തീരുമാനിച്ചോ, ആ തുക, ചെലവുചെയ്യാൻ ഇടവരാതിരിക്കുന്നപക്ഷം ആ ഡിപ്പാർട്ടുമെൻറിൻെറ റിസർവുഫണ്ടായി സൂക്ഷിക്കണം. അതു മറുകാര്യങ്ങൾക്കായി ചെലവുചെയ്വാൻ പാടില്ല. മൈനർ ഇറിഗേഷൻ ഇപ്രകാരം പ്രത്യേകം റിസർവുചെയ്യുന്നുണ്ടു്. പക്ഷേ, അതു ശരിയായ പ്രവർത്തനത്തിൽ കൊണ്ടുവരുന്നില്ല. അതു ശരിയല്ല. റിസർവുചെയ്യുന്നതുകയുടെ ആവശ്യാനുസരണം അതാതു കാലങ്ങളിൽ അതേ ഇനത്തിനുവേണ്ടിതന്നെ ചെലവു ചെയ്യത്തക്കവിധത്തിൽ വേണ്ട നിയന്ത്രണം ഗവണ്മെൻറു വരുത്തേണ്ടതാണു്. ഇങ്ങനെ ഗവണ്മെൻറു നിഷ്കർഷിക്കുന്നപക്ഷം നിശ്ചയമായും കാര്യക്ഷമതക്കു ഹാനിക്കുടാതെ അതാതു ഡിപ്പാർട്ടുമെൻറിലെ പ്രവർത്തനങ്ങൾ ശരിയായിനടക്കുമെന്നാണു് എനിക്കു തോന്നുന്നതു്.

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പണാപഹരണത്തെ സംബന്ധിച്ചു പല സംഗതികളും നിരന്തരം സംഭവിച്ചുകൊണ്ടിരിക്കുന്നു. ഗവണ്മെൻറിൻെറ അനാസ്ഥകൊണ്ടുമാത്രമാണ് ഇങ്ങനെ പണാപഹരണം ഉണ്ടാകുന്നതു്. രാവിലെ ഞാൻ ചോദിച്ച ഒരു ചോദ്യത്തിനു നൽകിയ മറുപടിയിൽനിന്നും ഇതു് ഏകദേശം വിശദമായിട്ടുണ്ടു്. പണാപഹരണം അടിക്കടി വർദ്ധിച്ചുവരുന്നതുല്ലാതെ കുറയുന്നില്ല. ഇക്കാര്യത്തിൽ ഗവണ്മെൻറു ശരിയായി ശ്രദ്ധിച്ചിരുന്നു എന്നുവരുകിൽ പണാപഹരണം ക്രമാനുഗതമായി ഇങ്ങനെ വർദ്ധിച്ചുവരുകയില്ലായിരുന്നു. പണം അപഹരിക്കുന്നവരെയും അതു സൂക്ഷിക്കുന്നതിനു ചുമതലപ്പെട്ടവരെയും മാതൃകായോഗ്യമായി ശിക്ഷിച്ചിരുന്നു എങ്കിൽ ഇതു ഉണ്ടാകുമായിരുന്നില്ല.

ഗവണ്മെൻറു ട്രഷറികളിൽനിന്നു് ധാരാളം കള്ളനാണയങ്ങളും കള്ളനോട്ടുകളും വിതരണം ചെയ്യുന്നുണ്ടു്. മുമ്പിരുന്ന ഫൈനാൻഷ്യൽ സെക്രട്ടറി എൻെറ ഒരു നിവേദനത്തിനുത്തരമായി മെമ്പർ പ്രതിനിധീകരിക്കുന്ന താലൂക്കിൽനിന്നുമാണു് കൂടുതൽ കള്ളനാണയങ്ങൾ വരുന്നതെന്നു പറയുകയുണ്ടായി. ഞാൻ പറയുന്നതു് ട്രഷറി ഉദ്യോഗസ്ഥന്മാർ കള്ളനാണയം ഉണ്ടാക്കുന്നവരെ മനഃപൂർവ്വം സഹായിക്കുന്നുണ്ടെന്നാണു.

Mr. K. P. Nilakanta Pillai: I doubt whether there is a quorum, Sir.

Mr. Kayalam Paramesvaran Pillai: (*Additional Head Sirkar Vakil*) : The quorum is 10 members.

Mr. J. John Kattakayam : ഏതായാലും ട്രഷറികളിൽ നിന്നാണു് ഇപ്പോൾ കള്ളനാണയങ്ങൾ അധികമായി പുറത്തിറങ്ങുന്നതു. ഇനി എനിക്കു കൈക്കൂലിയെപ്പറ്റിയാണു് പറയാനുള്ളതു്. എൻെറ സ്നേഹിതന്മാർ ഒരുപക്ഷേ ഇപ്പോഴും ഇടക്കുചാടി വീണേക്കുമായിരിക്കാം.

കൈക്കൂലിപ്പുറവികളായ ആളുകളേയും മാതൃകായോഗ്യമായ വിധത്തിൽ ശിക്ഷിക്കേണ്ടതാണു്. അങ്ങനെ ചെയ്യുന്നില്ലെങ്കിൽ ഗവണ്മെൻറിൻെറ നടപടികൾ എല്ലാംതന്നെ വെറും പ്രഹസനങ്ങളായി ഭവിക്കുകയേ ഉള്ളൂ. ഗവണ്മെൻറു ഉദ്യോഗസ്ഥന്മാർക്കുവേണ്ടിയും അവരുടെ മേലനേഷണത്തിനു വേണ്ടിയും അനേകം ധനവ്യയം ചെയ്യുന്നുണ്ടു്. എന്നാൽ അതിനെതക്ക പ്രയോജനം ജനസാമാന്യത്തിനു ഉണ്ടാകുന്നുണ്ടോ എന്നു സംശയമാണു്. കൈക്കൂലി സംബന്ധിച്ചും പണാപഹരണം സംബന്ധിച്ചും ഉണ്ടാകുന്ന കുഴപ്പങ്ങൾക്കു അവരിൽ നിന്നും തുക

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ഈടാക്കുന്നതുകൊണ്ടും അവർക്കു ഒരു പക്ഷേ ഒരു താക്കീതു നൽകുന്നതുകൊണ്ടും അല്ലെങ്കിൽ അവർക്കു നിർബന്ധിതമായ പെൻഷൻ കൊടുത്തു ഉദ്യോഗത്തിൽ നിന്നും പിരിച്ചയക്കുന്നതുകൊണ്ടും മാത്രം ഗവർമ്മെൻറു തൃപ്തിപ്പെട്ടുകൂടാ. അവരെ പൂജപ്പുരയിലുള്ള 'അതിഥിമന്ദിര'ത്തിൽ തന്നെ അയക്കണം. പണാപഹരണങ്ങളും മറ്റും ഉണ്ടാകുമ്പോൾ അങ്ങനെ നമ്മുടെ ഗവർമെൻറു പ്രവർത്തിച്ചിരുന്നു എന്നു വരുകിൽ നിശ്ചയമായും, ഇന്നുനടക്കുന്ന അക്രമങ്ങളോ, അഴിമതികളോ, അധർമ്മങ്ങളോ, ഒന്നും ഇവിടെ നടമാടുകയില്ലായിരുന്നു. നേരേമറിച്ച് ഗവർമ്മെൻറു അവരെ സ്ഥാനത്തും അസ്ഥാനത്തും ആലോലം പാടി താലോലിച്ചു കൊണ്ടാണിരിക്കുന്നതു്. മുമ്പു ഞാൻപറഞ്ഞതു പോലെ ടഷറി ഉദ്യോഗസ്ഥന്മാർ കള്ളനാണയങ്ങൾ ക്രയവിക്രയങ്ങൾ ചെയ്യുന്നുണ്ടെന്നുള്ളതു് രഹസ്യമായ പരസ്യമാകുന്നു. ഗവർമ്മെൻറു ടഷറിയിൽ തന്നെ ഇങ്ങനെ തുടങ്ങിയാൽ പിന്നെ മറ്റുള്ളവരോടുള്ള അവരുടെ പ്രവൃത്തി എന്തായിരിക്കുമെന്നുള്ളതു് ചിന്തിക്കാവുന്നതാണെല്ലോ. ടഷറിയിൽ നിന്നും കള്ളനാണയങ്ങൾ കിട്ടുന്നതുകൊണ്ടു പലർക്കും അബദ്ധങ്ങൾ പറ്റിയിട്ടുണ്ടു്. ആകയാൽ ഈവക സംഗതികളിൽ ഏർപ്പെടുന്ന ആളുകളെ മാതൃകായോഗ്യമായി ശിക്ഷിക്കണമെന്നാണു് എന്റെ അപേക്ഷ.

Rao Bahadur A. Rangasvami Aiyar : Sir, I wish to reply to some of the points raised by the members. First, in regard to the question of supplementary grants. This is a point dealt with by the Public Accounts Committee itself. I would invite attention to page 4, para 5 of the Report of Public Accounts Committee, which says as follows :—

> "..... We went through the explanations forwarded by the Departmental Offices for having applied for supplementary grants when funds were available under the original grant, and found that it was not possible for them to gauge the savings at the time the supplementary grants were applied for".

Sir, this is the verdict given by the Public Accounts Committee which was attended by the chosen representatives of the Legistature to whom the matter was fully explained and these are the results of the deliberate conclusions which they have arrived at. I do not think that honourable members will expect an answer from me for every supplementary grant made. I hope the members will accept the verdict of their own representatives. You will find it satisfactorily explained there.

Mr. M. N. Paramesvaran Pillai : How would you explain for surpluses ?

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Rao Bahadur A. Rangasvami Aiyar: It is not possible to foresee them.

Mr. M. N. Paramesvaran Pillai: May I know why it is not possible to forsee it ?

Rao Bahadur A. Rangasvami Aiyar: The explanations are given on pages 19 to 22 of the Audit and Appropriation Report.

Then I come to the other point raised by Mr. K. P. Nilakanta Pillai, *viz.*, the objection to the diversion of an amount from the Quilon Electric Supply to the Pallivasal Hydro Electric Scheme. Sir, in accordance with the budget system, though a demand is applied for under a single major head, the duty of Government is to see that the amount is fully utilised within that demand granted by the House. But Government have power to divert it to other items within the same demand. Now, Sir, he made out a point that the demand is granted for a specific purpose. But I would say no, because the grant made under one major head is made up of several minor heads and if it is found later on that some items require more funds than was estimated, Government are empowered to divert funds from such of the items as do not require the sums provided for them.

Mr. K. P. Nilakanta Pillai: May I know why the amounts ear-marked for Trivandrum and Quilon have been diverted for the use of Pallivasal ? Does not such diversion prevent the accumulation of surpluses ?

Rao Bahadur A. Rangasvami Aiyar: This point was also considered during the discussion of the Finance Committee. It was done because all the electric projects are regarded as a single scheme. The financial results of all the projects are taken together so that all the electric projects of this State should be regarded as a single project.

Mr. M. N. Paramesvaran Pillai: May I know whether the interest on the sum of Rs. 29,000 diverted will be charged to the Trivandrum Electric Supply ?

Rao Bahadur A. Rangasvami Aiyar: The interest will be charged on the basis of actual expenditure. We have to see that the expenditure is kept within the grant. Government have power to divert any amount ; they have only to see that the total demand is not exceeded.

Another point raised was with regard to the audit of receipts. The qustion has been discussed in para 12, page 15 of the report. It is not possible to take up the receipt audit of all the departments in the State. It is not done in British India. The receipts are

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checked by the officers of the department in the course of their administrative duties. Besides the enormous cost that is involved, there are so many other difficulties in the way. Take for instance the case of Income tax. There is no guarantee that the audit will be more valuable than that of the departmental authorities. The persons doing the audit work may not be well acquainted with all the rules. In the case of the Education Department there is the Financial Assistant who examines the receipt statements in detail. In the case of customs receipts also, they have got an audit staff that carries out a test check. So the procedure adopted is the same as in British India. As a general rule it is the duty of the departmental authorities to carry out the receipts audit. The Account Officer is responsible for the expenditure audit only and it may not be commensurate with the advantage obtained thereby if they took up receipt audit also. I only want to say that the question was gone into by the Public Accounts Committee and that it is also in accordance with the practice elsewhere.

Mr. John Kattakayam wanted the constitution of several funds; and all lapses to be carried forward to each fund. This will seriously affect the flexibility and elasticity of the budget system. All the lapses go into the common pool. For minor irrigation we allot Rs. 2 lakhs. The surplus is carried on to a fund in order to see that the works are not starved and no difficulty is experienced. The formation of compartmental reserve funds will tie the hands of Government and financial administration will become practically difficult As I said, it will affect the principle of the budget and the elasticity and flexibility of the system. I do not think that it is a sound financial proposition. Sir, I have answered all the important points.

The Council adjourned at 1-7 PM. to meet again at 11 A. M. the next day.

P. PARAMESVARAN PILLAI,
Secretary to theSri Chitra State Council.

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